AZ Medicaid Outpatient Workgroup Meeting

June 7, 2005
3:00 p.m. – 4:00 p.m.
AHCCCS 701 E. Jefferson St. – 3rd Floor - Gold Room

Meeting Hosted By: Lori Petre

Attendees:

ADHS	Care 1St	UFC
Jerri Gray	*Ann Weeks*	*Jean Warner*
Demiter Peuin	*Anna Castaneda*	**Maricopa County**
AHCCCS	*Michael Boisseau*	*Judy Taylor*
Cynthia Barker	*Marlene Peek (teleconference)*	**MCP/Schaller**
Jacque Martinez	**COCHISE**	*Colleen Gurule*
Kerry Price	*Marcia Goerdt (teleconference)*	*Cathy Jackson-Smith*
Mike Upchurch	**DES**	*Linda Adams*
Nancy Upchurch	*David Gardner*	*Melanee Jones*
Stacy Westerholm	**Evercare**	**PHP**
EP&P	*Jack Holstrom*	*Greg (teleconference)*
Lori Petre	**Healthchoice**	**PIMA**
APIPA	*Jessica Lennick*	*Mark Hart (teleconference)*
Sharon Zamora	*Lorie Owens*	*Marcia LeBlanc (teleconference)*
		Yavapai County
		Becky Ducharme (teleconference)

1. Welcome (Lori Petre)
Welcome. Behind the minutes is the current timeline.

2. Current AHCCCS Status/Timeline/Calendar (Lori Petre)
We are in the in the final stages of the Fee for Service AHCCCS Implementation. All of the modifications to the reference tables, and the modifications to the provider rate tables went in to production on May 26th. All the reference tables are loaded, and we are finalizing the loading of the provider rate tables. When this is completed we will run a special extract of production for those. The remaining components of the valuations programs will be in place for 7/1, with the exception of the remittance advice, which is still in progress.

There will be a window of 3-4 days when we will not be testing due to the migration of these programs. If you submit an encounter test file during that time, we'll hold it until the migration has completed. That should be around the 24th of the month.

There is a lot of planning for internal training going on at AHCCCS, there is also a conversation going on concerning what kind of external training hospitals feel they might require. Individual health plan meetings will also include a discussion as to whether you feel a need for Health Plan training, as well.

During those individual meetings, we will also discuss on-going testing. We still want the control group, and we want you to be able to test encounters. We have not set a cut-off date for support of your continued testing. At this time, we intend to accommodate your needs.

3. **Documentation Status (Lori Petre)**
   Directly behind the Timeline is the Outpatient Hospital Capped Fee Schedule Pricing Decision Tree. We wanted to encapsulate the requirements of this project into this flowchart. There is one change from the last distribution: the addition of the Procedure Exception Table, which was created since the last time we discussed this. This flowchart, without the specific reference tables mentioned above, was also submitted as part of the Provider Manual revisions to the hospitals.

   Along those lines, due to feedback from you and the hospitals, we are creating excel versions of some of the reference tables values and posting them to the website. These tables will include which HCPCS are allowed for which revenue codes.

4. **Change Tracking Review and Decision (Lori Petre)**
   The first change concerns the final version of the bundling exceptions. The development for these have been concluded. The values are now in your REF03 extract, listed on the table RF739.

   HP – I attempted to load the rev codes from the directory, but half of the records were not there.
   Lori Petre – We will ask John Murray about that.

   ACTION ITEM

   The next shaded section, on page three, has to do with the finalization of the peer groups. Because this is an ongoing document, these have changed over time and have been noted in a couple different places here. This is now final, and we will discuss what the final peer groups are in a later bullet point.

   HP – In the change documents, it notes that Phoenix Children's Hospital was changed from 213% to 210%, but the facility peer group document still shows the percentage as 213.
   Lori Petre – Because this is a document of chronologic changes, please look further down in the document for the shaded bullet point. The one you are reading is the older notation. Actually, 210% is now out of date, the final percentage is 213%.

   HP – Are the Statewide CCR changes finalized?
   Lori Petre – Yes, this is the final value. The final default CCR value is now set, it is .3192 rather than .2957.
   HP – Will that change annually?
   Lori Petre – Perhaps not even as often as annually. Only when re-basing.

   On page 4, please note that all the tables are now in production, and loaded with production values. As soon as they verify everything is in production, ISD will run a special extract and get that out to you. This will include everything. It will still also be available in test to facilitate your ongoing needs.

   On page 5, we've continued to see communications going out to you concerning edits, and encounters edits.

   There have been several questions in the past month concerning PGM values. Those values apply only to those lines valued according to the fee schedule. If the claim falls through to the cost of charge, pay cost of charge, only.

   HP – How many codes will revert to cost of charge?
   Mark Podrazik (EP&P) – The historical documentation of the last 3 years shows it is a very low volume. The exception to that are observation codes, which AHCCCS has defaulted to CCR in terms of utilization. We looked at the procedures currently paid under 2005 Medicare OPFS. Does it group

to an APC? If so, pay by that logic. In addition, there are HCPCS codes that default to non-facility capped codes. They are not Medicare OPFS, but they are on this schedule.

HP – There appear to be roughly 4400 not included in the fee schedule code.

Mark Podrazik (EP&P) – These codes are specific surgical procedures Medicare determined to be inpatient only. We looked at them; out of the 4400 codes, only one was determined to have high enough volume to set a stable fee on. The rest have limited volume, and therefore we did not set a rate for them.

Cia Fruitman – We are only providing the fee schedules for covered services. Codes that are not covered will not be listed.

Lori Petre – Part of the process to finalize the Peer groups also finalized the Peer group percentages. Peer group adjusters do not apply to lab codes.

Mark Podrazik (EP&P) – CMS gave guidance to AHCCCS; lab Medicaid OP payment systems are limited by law to which codes receive matching dollars. Medicare will not pay dollar for dollar for lab codes. Medicaid must default to the National Clinical Laboratory, state-specific Fee Schedule. There is no federal match should AHCCCS exceed these fees.

Lori Petre – The final surgery and bundling codes have been defined. We have collated these into a separate document for your review. There are some codes you might not traditionally recognize as surgery. However, if you see these codes on a claim, please recognize that they are subject to bundling.

HP – So it doesn't matter on which type of revenue code we see these with.

Lori Petre – That's correct. You might see these codes from a treatment room, or an ER. The trigger is procedure code based, but the lines that are bundled are revenue code based.

HP – When you coordinate benefits, using the lesser of allowed amounts, enter the Medicare paid amount and change the allowed amount and encounter that, what kind of sub cap code do you use?

Lori Petre - We will follow up with Brent.

ACTION ITEM

HP – In the last publication of the Encounter Keys, what is the meaning of the difference in the set of edits with different dates? Some are set to soft and some are set to hard.

Lori Petre – We will follow up with Brent.

ACTION ITEM

5. **Documentation Status (Lori Petre)**

Everyone should have received Chapters 6 and 11. I have a draft of the Remittance Advice chapter, but we are awaiting final approval before we send that out. There is also a Helpful Hints packet. In addition, we discuss the tables we're extracting to excel documents and promoting to the web so everyone can review them.

HP – The notation on the System Proposal documents is confusing, the dates do not match.

Lori Petre – We will note that and correct that, if feasible.

HP – Do you have a list of the hospitals you are testing with?

Lori Petre – I have a list of Pilot facilities that we've shared previously. We will send that again. It also includes contact information for each of the facilities.

ACTION ITEM - Completed

6. **Fee Schedule Status (Lori Petre)**

Everyone should have received the final Fee Schedule. It will not be updated again. That is ideally the version we would like you to use for your Control Group Testing submissions to us. We can use

the previous one, if necessary, but please notify us if it is your intent to use the previous version. Please let us know when you submit them, which version you will use.

7. **Final Reference Table Data (Lori Petre)**
The next document in your package is a document we put together to summarize the O/P tables and what they are for. This is a high level overview, an additional tool we hope is useful to you.

Directly behind that is the final System Proposal for Provider and Reference. This is the last version, and the final documentation to that component of the system that AHCCCS has implemented. There should not be any changes in the document that we didn't cover in the change discussions.

HP – There is a new table, listed as P1, that may have the incorrect name on it.
Mike Upchurch – that is correct, it is the wrong name. An email was submitted via the Outpatient Workgroup with a correction.
Lori Petre – We will follow up on that.

ACTION ITEM

The last document is the email that accompanied the Provider Manual.

8. **MCO Status Reporting and Control Group Testing (Lori Petre)**
We have begun the final round of meetings concerning this. We will be discussing your status, and how far along you are in your Control Group testing. I have received Control Group testing for four of the plans. We are reviewing the data as quickly as we can. We will get results back to you. Please remember you will not get the second set of scenarios until you've submitted the first set.

9. **Hospital Efforts/Pilot Testing (Lori Petre)**
We didn't have any additional hospitals aside from the initial twelve. Kari has asked me to poll the hospitals to find whether they are working with specific clearinghouses. I will track that information and share that with you.

HP – On the first testing scenarios, is that the spreadsheet with 184 examples?
Lori Petre – Yes. We refer to that as Control Group 1. Control Group 2 is perhaps an additional 50 scenarios, in order to explore issues that are more complicated.
HP – Our system will not allow us to enter HCPCS that are invalid. There are a few scenarios that do not have HCPCS or CPTS, but the same rev. code several times. Our system will not allow that. We have to combine units and put it all on one line.
Lori Petre – We don't want you to do something your system will not allow you to do. If it can't take a particular example, just note on that one that you couldn't do that.

10. **Future Meeting – July 14, 2005, 9 a.m.-10:00 a.m. (Lori Petre)**
We will discuss what we plan for our meeting in August, lessons learned, etc. Please give that some thought.

HP – Do you have a list of finalized extracts?
Lori Petre – All tables are finalized. The reference extract includes everything, as of the 21st of May. We will send that out again as soon as we go next door.